

the world is so small that the free and unlimited coinage of it into money, by any one large nation like France, Russia or the United States, will make a sufficient demand for it, to maintain its value, and while these conditions exist, the whole world is virtually on a bimetallic basis, and that includes us.

"So long as things go on in the way they are now going, silver and gold will continue to trot in the financial harness side by side, and our law that we have had since 1816 is a dead letter. No man will sell his silver here for less than $15\frac{1}{2}$ to 1, when he can cross the channel into France and at that ratio exchange it for gold. Hence, if we want his silver to use in India, we must buy it with gold at the French ratio. If the French ratio is knocked out, then we will have the American ratio to contend with, which is 16 to 1. No one here would part with his silver for less than 16 to 1, when he could get that for it in the United States. If the United States and the principal governments of Europe adopt our law as to silver, it will double your fortune and mine. Our money will have a purchasing power twice as great as it now has.

"It will do more for England than conquests by arms, on both land and sea, could do in a thousand years. England is a creditor nation. Her greatest rival to-day is the United States. If things continue as they now promise, that great American republic will soon rival us as the creditor nation of the world. The only way to defeat this is to keep her in debt to us. From my latest advice, I am satisfied they are opening up enormous mines of gold and silver, and will soon have it in their power to achieve the object I fear, unless we take it away from them.

"If we can induce the nations I have named and the United States to demonetize silver, here is what the

result will be. We will use their silver, bought at a large discount, to ship to India. India wheat and India cotton will cost us as much less than American wheat and cotton as we can depress the price of silver. It will have a double effect on their wheat and cotton. We will use their cheap silver to buy wheat and cotton in India. It will reduce the amount of actual money to the quantity of gold, and all values must shrink accordingly. The American producer must meet this competition from India, and down will come all their prices. We will destroy silver, one of the principal sources of their wealth, and with the fall in values we will destroy their balance of trade. With their wonderful recuperative powers, if they still force a balance of trade in their favor in the exchange of merchandise and commodities, we must take the balance of money in settlement away from them in interest on bonds and other loans."

"That sounds well," interjected Sir William.

"What would make the United States the dominant nation of the world," continued the host, "would be her **net** balance of trade. At the present prices for her cereals, backed with her enormous production of gold and silver, in thirty years, as I have stated, she will be richer than England, if not richer than all Europe. She will own her own debts, and all the world will be paying her tribute.

"We must destroy this balance of trade in her favor. To do it, we must demonetize her silver. It is the key to the situation. All the rest will follow."